

Mr. DeLeo of Winthrop and other members of the House move to consolidate the following amendments: 74, 80, 84, 173, 256, 281, 295, 314, 315, 316, 317, 347, 354, 358, 364, 365, 393, 394, 397, 409, 411, 435, 492, 495, 520, 585, 605, 611, 644, 648, 668, 678, 681, 685, 692, 698, 714, 718, 737, 742, 743, 746, 763, 785, 789, 826, 829, 844, 848, 849, 861, 862, 863, 870, 872, 873, 895, 922, 955, 956, 957, 978, 980, 981, 997, 1021, 1035, 1045, 1047, 1048, 1098, 1099, 1105, 1117, 1126, 1134, 1135, 1138, 1153, 1154, 1155, 1165, 1168, 1179, 1181, 1211, 1212, 1215, 1236, 1240, 1241, 1247, 1258, 1277, 1287, 1288, 1289, 1298, and hereby move to amend H.4000 in section 2 by striking out item 4000-0300 and inserting in the place thereof the following item:—

4000-0300 For the operation of the executive office, including the operation of the managed care oversight board; provided, that the executive office shall provide technical and administrative assistance to agencies under the purview of the secretariat receiving federal funds; provided further, that the executive office and its agencies, when contracting for services on the islands of Martha's Vineyard and Nantucket, shall take into consideration the increased costs associated with the provision of goods, services, and housing on said islands; provided further, that the executive office shall monitor the expenditures and completion timetables for systems development projects and enhancements undertaken by all agencies under the purview of the secretariat, and shall ensure that all measures are taken to make such systems compatible with one another for enhanced interagency interaction; provided further, that the executive office shall continue to develop and implement the common client identifier; provided further, that the executive office shall ensure that any collaborative assessments for children receiving services from multiple agencies within the secretariat shall be performed within existing resources; provided further, that funds appropriated herein shall be expended for the administrative, contracted services and non-personnel systems costs related to the implementation and operation of programs authorized by sections 9A to 9C, inclusive, and sections 16B and 16C of chapter 118E of the General Laws; provided further, that such costs shall include, but not be limited to, pre-admission screening, utilization review, medical consultants, disability determination reviews, health benefit managers, interagency service agreements, the management and operation of the central automated vendor payment system, including the recipient eligibility verification system, vendor contracts to upgrade and enhance the central automated vendor payment system, the medicaid management information system and the recipient eligibility verification system MA21, costs related to the information technology chargebacks, contractors responsible for system maintenance and development, personal computers and other information technology equipment; provided further, that 50 per cent of the cost of provider point of service eligibility verification devices purchased shall be assumed by the providers utilizing the devices; provided further, that the executive office shall assume the full cost of provider point of service eligibility verification devices utilized by any and all participating dental care providers; provided further, that in

consultation with the division of health care finance and policy, no rate increase shall be provided to existing medicaid provider rates without taking all measures possible under Title XIX of the Social Security Act to ensure that rates of payment to providers do not exceed such rates as are necessary to meet only those costs which must be incurred by efficiently and economically operated providers in order to provide services of adequate quality; provided further, that expenditures for the purposes of each item appropriated for the purpose of programs authorized by chapter 118E of the General Laws shall be accounted for according to such purpose on the Massachusetts management accounting and reporting system not more than 10 days after such expenditures have been made by the medicaid management information system; provided further, that no expenditures shall be made for the purpose of such programs that are not federally reimbursable, except as specifically authorized herein, or unless made for cost containment efforts the purposes and amounts of which have been submitted to the house and senate committees on ways and means 30 days prior to making such expenditures; provided further, that the executive office may continue to recover provider overpayments made in the current and prior fiscal years through the medicaid management information system, and that such recoveries shall be deemed current fiscal year expenditure refunds; provided further, that the executive office shall report quarterly to the house and senate committees on ways and means the amounts of said expenditure refunds credited to each item of appropriation; provided further, that the executive office shall report quarterly to the house and senate committees on ways and means the amount of hand generated payments, to providers by item of appropriation from which said payments were made; provided further, that the executive office may collect directly from a liable third party any amounts paid to contracted providers under chapter 118E of the General Laws for which the executive office later discovers another third party is liable if no other course of recoupment is possible; provided further, that no funds shall be expended for the purpose of funding interpretive services directly or indirectly related to a settlement or resolution agreement, with the office of civil rights or any other office, group or entity; provided further, that interpretive services currently provided shall not give rise to enforceable legal rights for any party or to an enforceable entitlement to interpretive services; provided further, that notwithstanding any general or special law to the contrary, for fiscal year 2006 the definition of a rural hospital shall mean an acute care hospital as defined under section twenty-five B of chapter 111 of the General Laws and licensed under said chapter 111, which: (1) has been designated by the executive office as a rural hospital based on bed size, city or town population, and population density of the city, town, service area or county as determined by the executive office through regulation; or (2) is a hospital currently designated as a Critical Access Hospital by the Federal Department of Health and Human Services in accordance with federal regulations and state requirements; provided further, that the federal financial participation received from claims filed for the costs of outreach

and eligibility activities performed at certain hospitals or by community health centers which are funded in whole or in part by federally permissible in-kind services or provider donations from the hospitals or health centers, shall be credited to this item and may be expended without further appropriation in an amount specified in the agreement with each donating provider hospital or health center; provided further, that the federal financial participation received from claims filed based on in-kind administrative services related to outreach and eligibility activities performed by certain community organizations, under the so-called "covering kids initiative" and in accordance with the federal revenue criteria in 45 CFR 74.23 or any other federal regulation which provides a basis for federal financial participation, shall be credited to this item and may be expended, without further appropriation, on administrative services including those covered under an agreement with the organizations participating in the initiative; provided further, that notwithstanding any general or special law to the contrary, thirty percent of the remaining funds made available pursuant to the fourth sentence of section 407 of chapter 149 of the acts of 2004 are to be paid in fiscal year 2006 to a municipality in Essex county to defray debt, resulting from the operation of a former municipally-owned hospital; provided further, that these funds shall only be made available if said payments are established in accordance with Title XIX of the federal Social Security Act, or any successor federal statute, any regulations promulgated thereunder, the commonwealth's Title XIX state plan, or the terms and conditions of agreements reached with the executive office for such payments; provided further, that notwithstanding the provisions of any general or special law to the contrary, the executive office shall require the commissioner of mental health to approve any prior authorization or other restriction on medication used to treat mental illness in accordance with written policies, procedures and regulations of the department of mental health; provided further, that federal reimbursements received for administrative expenditures made pursuant to this item shall be credited proportionally to the General Fund and the Children's and Seniors' Health Care Assistance Fund, established under section 2FF of chapter 29 of the General Laws, in the same per centages as expenditures are made from this item; provided further, that in determining inpatient rates for any acute hospitals the executive office shall utilize the same payment methodology, including all exemptions, rate adjustments and passthrough payments, as was in effect on July 1, 2003; provided further, that in determining outpatient rates for any acute hospitals the executive office shall utilize the same payment methodology, including all exemptions and rate adjustments, as was in effect on October 1, 2003; provided further, that any hospital with a unit designated as a pediatric specialty unit, as defined by this act, shall be exempt from the inpatient and outpatient efficiency standards, so called, being applied to their rate methodology; provided further, that said executive office shall use the same pricing methodology for durable medical equipment and oxygen as was in effect on July 1, 2003; provided further, that in calculating rates of payment for children enrolled in MassHealth receiving inpatient services at acute care pediatric hospitals and

pediatric subspecialty units as defined in section 1 of chapter 118G of the General Laws, the executive office shall make a supplemental payment, if necessary, sufficient to assure that payment for inpatient cases with a case mix acuity greater than 5.0 shall be at least equal to 85% of the expenses incurred in providing services to those children; provided further, that said executive office shall not reduce the supplement to chronic disease and rehab hospitals administrative day rate below that which was granted during hospital fiscal year 2005; provided further, that said executive office in fiscal year 2006 shall not eliminate payment to hospital outpatient departments for primary care provided to MassHealth members; provided further, that not later than September 1, 2005, the executive office of health and human services shall submit a report to the house and senate committees on ways and means detailing reasons for increases in chargebacks between fiscal years 2005 and 2006 for all 17 executive office cluster agencies including, but not limited to, service rates used in determining each charge type, number of staff hours per agency per service type, and a subsequent explanation as to how the increases result in a cost savings for each agency and the commonwealth, and why there is no subsequent decrease in the executive office administrative costs; and provided further, that said report shall provide a detailed explanation and so-called crosswalk of the transition of both funding and staff members from each agency to the executive office in fiscal years 2005 and 2006 for consolidation of centralized services; provided further, that notwithstanding any general or special law to the contrary, the executive office shall adopt regulations which restrict eligibility and covered services only after public notice and hearing; and provided further, that funds in items 4000-0430, 4000-0500, 4000-0600, 4000-0620, 4000-0700, 4000-0860, 4000-0870, 4000-0875, 4000-0880, 4000-0890, 4000-0891, 4000-0895, 4000-0990 and 4000-1400 shall be made available during the accounts payable period of fiscal year 2006 for services rendered prior to June 30, 2006 \$130,341,223

General Fund	85.84%
Children's and Seniors' Health Care	
Assistance Fund	14.16%

And move to further amend the bill in section 2 by striking out item 4000-0352 and inserting in the place thereof the following item:—

4000-0352	For MassHealth enrollment outreach grants to public and private non-profit groups to be administered by the executive office; provided that the executive office may provide said grants for continuation of the Covering Kids and Families program, so called, including grants to coalitions receiving Covering Kids and Families grants; and provided further, that that the executive office may provide said grants for the Western Massachusetts Health Access Network, so called, of thirteen community-based organizations to provide enrollment assistance and outreach for MassHealth and other publicly-funded health coverage programs	\$500,000
-----------	--	-----------

And move to further amend the bill in section 2 by striking item 4000-0500 and inserting in place thereof the following item:—

4000-0500 For health care services provided to medical assistance recipients under the executive office's primary care clinician/mental health and substance abuse plan or through a health maintenance organization under contract with the executive office; provided, that funds may be expended from this item for health care services provided to the recipients in prior fiscal years; provided further, that no payment for special provider costs shall be made from this item without the prior written approval of the secretary of administration and finance; provided further, that expenditures from this item shall be made only for the purposes expressly stated herein; provided further, that said secretary shall take all steps necessary to maximize enrollment in managed care organizations in order to utilize federal dollars available under the federal upper payment limit cap; provided further, that the secretary shall submit a report to the house and senate committees on ways and means which shall include MassHealth enrollment in a managed care organization as of July 1, 2005 compared to said enrollment on December 1, 2005; provided further, that said report shall be submitted not later than December 15, 2005; provided further, that the secretary of health and human services and the commissioner of mental health shall report quarterly to the house and senate committees on ways and means relative to the performance of the managed care organization under contract with the executive office to administer the mental health and substance abuse benefit; provided further, that such quarterly reports shall include, but not be limited to, analyses of utilization trends, quality of care and costs across all service categories and modalities of care purchased from providers through the mental health and substance abuse program, including those services provided to clients of the department of mental health; provided further, that in conjunction with the new medicaid management information system project, said executive office study the feasibility of modifying its claim payment system, in collaboration with the MassHealth behavioral health contractor, to routinely process for payment valid claims for medically necessary covered medical services to eligible recipients with psychiatric and substance abuse diagnoses on a timely basis in an effort to avoid delay and expenses incurred by lengthy appeals processes; provided further, that said secretary shall report to the house and senate committee on ways and means not later than February 1, 2006 the results of said study, any proposed modifications to said payment system, and a timeline of steps to be taken to implement said modifications; provided further, that not less than \$10,000,000 shall be expended for disproportionate share payments for inpatient services provided at pediatric specialty hospitals and units, including pediatric chronic and rehabilitation long-term care hospitals as allowable under federal law; and provided further, that \$11,700,000 shall be expended on disproportionate share payments to high public payer hospitals \$2,074,169,186

And move to further amend the bill in section 2 by striking item 4000-0600 and inserting in place thereof the following item:—

4000-0600 For health care services provided to medical assistance recipients under the department's senior care plan; provided, that funds may be expended from this item for health care services provided to these recipients in prior fiscal years; provided further, that no payment for special provider costs shall be made from this item without the prior written approval of the secretary of administration and finance; provided further, that not less than \$9,240,000 shall be expended for the purposes of a demonstration project known as the "community choices" initiative, so-called; provided further, that under the demonstration, eligible MassHealth enrollees in the section 2176 elder care waiver, so-called, shall be covered for any needed community services, including case management, from among those services available under the waiver or under the commonwealth's Title XIX state plan, for the purpose of delaying or preventing an imminent nursing home admission; provided further, that elders enrolled in the waiver at risk of imminent nursing home admission shall be provided information about the availability of such services; provided further, that for elders who, pursuant to the aforementioned interagency agreement, have been determined to be at such imminent risk, have chosen to remain in the community, and for whom community care is medically appropriate, the department shall establish a funding level that, on a monthly average basis, is equal to fifty per cent of the median monthly per capita expenditure made by the department for nursing facility services provided to elders; provided further, that such funding level may include the costs of needed waiver services or other needed community services available to the elders under the state plan, provided further, that the interagency agreement shall be amended to implement the demonstration project and shall describe how the funding level will be made available to meet the costs of needed waiver services or other needed community services available to the elders under the state plan; provided further, that the department shall enter into an agreement with each aging service access point participating in the demonstration, which shall describe a system to be followed by each aging service access point, in accordance with state law and requirements under Title XIX of the Social Security Act, for coordination of both waiver and non-waiver community services needed by such eligible elders; provided further, that each aging services access point receiving funds under the demonstration project shall submit monthly reports to the executive office of health and human services and to the department of elder affairs on the care provided and the service expenditures made under the 2176 elder care waiver and such other information as specified by the department and the executive office; provided further, that executive office of health and human services shall prepare a report on all relevant costs and savings associated with the demonstration project; provided further, that the report shall be submitted to the house and senate committees on ways and means by April 3, 2006; provided further, that the department shall in correlation with the

senior care options program explore options for enrolling the senior care population into managed care programs through federal waivers or other necessary means; provided further, that effective July 1, 2005 through June 30, 2006, the division of health care finance and policy in collaboration with the department of elder affairs shall establish nursing facility payment rates and fully fund allowable costs using calendar year 2002 base year costs; provided further, that the secretary of elder affairs may transfer not more than 3 per cent of funds appropriated in this item to item 4000-0620; provided further, that the department shall provide written notice to the house and senate committees on ways and means not less than 30 days prior to any transfer; provided further, that notwithstanding any general or special law to the contrary, for any nursing home or non-acute chronic disease hospital that provides kosher food to its residents, the department, in consultation with the division, in recognition of the unique special innovative program status granted by the executive office, shall for any nursing home or non-acute chronic disease hospital that provides kosher food to its residents, establish the lower of (1) actual increased cost; or (2) up to a \$5 per day increase to the standard payment rates to reflect the high dietary costs incurred in providing kosher food and shall apply such increase effective July 1, 2003; provided further, that in the event the division of health care finance and policy conducts or utilizes an audit of nursing facilities' calendar year 2002 base year costs for the purpose of reducing rates below levels that would be in effect in the absence of the audit, the division shall disallow no more than \$22,000,000 in the aggregate in fiscal year 2006 rates; provided further, that effective July 1, 2005, nursing facility Medicaid rates shall be adjusted by no less than \$43,500,000 in the aggregate for the purpose of funding inflationary costs; provided further, that not less than \$75,000 shall be made available to reimburse providers of dementia-specific adult day care at the rate paid on January 1, 2003; provided further, that not less than \$2,000,000 shall be expended for the purpose of a housing with services demonstration project known as the "Caring Homes" initiative designed to delay or prevent nursing home placement by providing caregiving services to an elder; and provided further, that under said demonstration project, eligible MassHealth enrollees shall be able to live in the home of an individual or relative, with the exception of spouses and dependent children, to provide for their long term supports, pursuant to regulations promulgated by said executive office \$1,825,981,999

And move to further amend the bill in section 2 by striking item 4000-0620 and inserting in place thereof the following item:—

4000-0620 For the senior care options program; provided, that the secretary of elder affairs may transfer not more than 15 per cent of funds appropriated in this item to item 4000-0600; and provided further, that the department shall provide written notice to the house and senate committees on ways and means not less than 30 days prior to any transfer \$67,998,937

And move to further amend the bill in section 2 by inserting after item 4000-0620 the following item:—

4000-0625	For the provision of Title XIX home health services; provided that said appropriation shall be in accordance with 114.3 CMR 50.00 and the funds authorized herein shall be eligible for federal financial participation.....	\$67,000,000
-----------	--	--------------

And move to further amend the bill in section 2 by striking item 4000-0700 and inserting in place thereof the following item:—

4000-0700	For health care services provided to medical assistance recipients under the executive office's health care indemnity/third party liability plan and medical assistance recipients not otherwise covered under the executive office's managed care or senior care plans; provided, that funds may be expended from this item for health care services provided to the recipients in prior fiscal years; provided further, that no payment for special provider costs shall be made from this item without the prior written approval of the secretary of administration and finance; provided further, that expenditures from this item shall be made only for the purposes expressly stated in this item, and provided further, that notwithstanding the foregoing, funds may be expended from this item for the purchase of third party insurance including, but not limited to, Medicare for any medical assistance recipient including, but not limited to, seniors	\$1,580,139,483
-----------	---	-----------------

And move to further amend the bill in section 2 by striking item 4000-0990 and inserting in place thereof the following item:—

4000-0990	For the children's medical security plan to provide primary and preventive health services for uninsured children from birth through age 18; provided, that the executive office shall pre-screen enrollees and applicants for Medicaid eligibility; provided further, that no applicant shall be enrolled in said program until said applicant has been denied eligibility for the MassHealth program; provided further, that the MassHealth benefit request shall be used as a joint application to determine the eligibility for both MassHealth and the children's medical security plan; provided further, that the executive office shall maximize federal reimbursements for state expenditures made on behalf of said children; provided further, that any projection of deficiency in this item shall be reported to the house and senate committees on ways and means not less than 90 days prior to the projected exhaustion of funding; provided further, that the executive office shall expend all necessary funds from this item to ensure the provision of the maximum benefit levels for this program, as authorized by section 10F of chapter 118E of the General Laws; provided further, that said maximum benefit levels for this program shall be made available only to those children who have been determined by the executive office to be ineligible for MassHealth benefits; provided further, that the secretary of the executive office shall certify quarterly in writing to the house and senate committees on ways and means that premiums	
-----------	--	--

established pursuant to the fourth paragraph of said section 10E of said chapter 118E have been paid by all enrollees for whom said premiums are applicable; and provided further, that funds may be expended from this item for health care services provided to recipients in prior fiscal years \$21,078,379

General Fund 76.62%
Children's and Seniors' Health Care
Assistance Fund 23.38%

And move to further amend the bill in section 2 by striking out item 4000-1401

And move to further amend the bill in section 2 by striking out item 4000-1405 and inserting in the place thereof the following item:—

4000-1405 For the operation of a program of preventive and primary care for chronically unemployed persons who are not receiving unemployment insurance benefits and who are not eligible for medical assistance but who are determined by the executive office of health and human services to be long-term unemployed; provided, that such persons shall meet the eligibility requirements established under the MassHealth program as established in section 9A of chapter 118E of the General Laws; provided further, that the income of such persons shall not exceed 100 per cent of the federal poverty level; provided further, that said eligibility requirements shall not exclude from eligibility persons who are employed intermittently or on a non-regular basis; provided further, that the provision of care to such persons under this program may, taking into account capacity, continuity of care, and geographic considerations, be restricted to certain providers; provided further, that funds may be expended from this item for health care services provided to recipients in prior fiscal years; provided further, that the secretary of health and human services is hereby authorized to limit or close enrollment if necessary in order to ensure that expenditures from this item do not exceed the amount appropriated herein; provided further, that no funds may be expended from this item prior to October 1, 2005; provided further, that notwithstanding subsection (3) of section 16D of chapter 118E of the General Laws or any other general or special law to the contrary, a person who is not a citizen of the United States but who is either a qualified alien within the meaning of section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 or is otherwise permanently residing in the United States under color of law shall be eligible to receive benefits under this item if such individual meets the categorical and financial eligibility requirements pursuant to this item; provided further, that such individual is either age 65 or older or age 19 to 64 and disabled; provided further, that any such individual shall not be subject to sponsor income deeming or related restrictions; and provided further, that funds from this item for health care services for said noncitizens may be expended as of the effective date of this act \$129,567,170

And move to further amend the bill by striking item section 16 and inserting in place thereof the following section:—

SECTION 16. Notwithstanding any general or special law to the contrary, expenditures from the Distressed Provider Expendable Trust Fund shall be dedicated to efforts that are designed to improve and enhance the ability of distressed community providers to serve populations in need more efficiently and effectively, including, but not limited to, the ability to provide community-based care, clinical support and care coordination services, pharmacy management services or other efforts to create effective coordination between hospital care and ambulatory care sites in the community. The secretary of health and human services shall develop emergency regulations governing the recommended uses of said fund in partnership with the Massachusetts League of Community Health Centers and the Massachusetts Hospital Association; provided, however, that the secretary shall provide a \$285,000 one-time grant from the fund for a community, nonprofit, acute care regional teaching hospital located in Worcester county affiliated with the University of Massachusetts Memorial Health Care System; provided further, that the secretary shall provide a \$750,000 one-time grant from the fund for a hospital located in Hampden county, west of the Connecticut river with under 100 beds that participates in MassHealth; provided further, that the secretary shall provide a \$500,000 one-time grant from the fund for a community health center that serves as a family practice residency training site for a commonwealth funded medical school and that assumed the primary care services of the former Worcester City Hospital; provided further, that the secretary shall provide a \$3,250,000 one-time grant from the fund for an acute care hospital located in Holyoke that is affiliated with a commonwealth-owned university medical school and that provides clinical training programs for nurses, allied health professionals and technicians through affiliations with community colleges and private universities; provided further, that the secretary shall provide a \$950,000 one-time grant from the fund for a disproportionate share acute care hospital located in the southeastern Massachusetts division of the medical assistance psychiatric service area that operates an inpatient psychiatric unit within the city of Brockton; provided further, that the secretary shall provide a \$350,000 one-time grant from the fund for a community health center located in the Codman Square neighborhood of the Dorchester section of the city of Boston providing health care to medically underserved patients in the Dorchester section of the city of Boston, that has formed an integrated health services network to provide access to primary and preventive public health services; provided further, that the secretary shall provide a \$350,000 one-time grant from the fund for a community health center located near the Fields Corner neighborhood of the Dorchester section of the city of Boston, on Dorchester Avenue, providing health care to medically underserved patients in said Dorchester section of the city of Boston, that has formed an integrated health services network to provide access to primary and preventive public health services; provided further, that the secretary shall provide a \$500,000 one-time grant from the fund for an acute care hospital serving the Melrose and Wakefield communities that operates a family health services clinic; provide further, that the secretary shall provide a \$750,000

one-time grant from the fund for a sole community hospital under the Medicare program located in Barnstable county; provided further, that the secretary shall provide a \$750,000 one-time grant from the fund for a non-teaching, community, disproportionate share, acute care hospital located in southeastern Massachusetts, which provides inpatient care to over 5,000 MassHealth or MassHealth HMO patients per year; provided further, that the secretary shall provide a \$750,000 one-time grant for Franklin Medical Center in Greenfield; provided further, that the secretary shall provide a \$150,000 one-time grant from the fund for a community health center serving the towns on the Outer and Lower Cape in Barnstable County for the purpose of developing a 340B pharmacy program; provided further, that the secretary shall provide a \$511,000 one-time grant from the fund for a non-profit, disproportionate share community acute care hospital with less than 115 beds that operates an inpatient psychiatric unit licensed by the department of mental health located in southern Worcester County affiliated with the University of Massachusetts Memorial Health Care System; provided further, that the secretary shall provide a \$100,000 one-time grant from the fund for a community health center located in the city of Lynn providing health care to medically underserved and uninsured patients and which provides a 340B pharmacy program; provided further, that the secretary shall provide a \$1,000,000 one-time grant from the fund for a two hospital system located in Hampden county, one of which hospitals provides inpatient psychiatric services for children and adults and a methadone program; provided further, that the secretary shall provide a \$500,000 one-time grant from the fund for a not-for-profit acute care hospital located in the northwestern-most portion of Berkshire County; provided further, that the secretary shall provide a \$150,000 one-time grant from the fund to a nonprofit, acute care community hospital located in Middlesex County that serves a 25 town area extending northwest of Boston to the New Hampshire border, has less than 160 licensed medical surgical beds, provides inpatient psychiatric care, and operates a significant hospital-based paramedic program; provided further, that the secretary shall provide a \$2,000,000 one-time grant from the fund for a disproportionate share hospital provider located in the county formerly known as Essex county that has a family practice residency program in partnership with a federally qualified community health center, which program enhances the coordination of cost-effective care delivery in ambulatory settings and at the hospital to underserved populations; provided further, that the secretary shall provide a \$200,000 one-time grant from the fund for Dimock Community Health Center located in the Egleston Square neighborhood in the Roxbury Section of Boston for health care and traditional housing to medically underserved patients from the Roxbury, Dorchester, and Jamaica Plain sections of the city of Boston; provided further, that the secretary shall provide a \$500,000 one-time grant from the fund for a health care center located in the city of Revere affiliated with Massachusetts General Hospital; provided further, that the secretary shall provide a \$200,000 one-time grant from the fund for Whittier Street Community Health Center located in the Roxbury section of Boston for adult and child behavioral health services to homeless, immigrant and refugees populations; provided further, that the secretary shall

provide a \$1,000,000 one-time grant from the fund for Wing Memorial Hospital in the town of Palmer; provided further, that the secretary shall provide a \$1,000,000 one-time grant from the fund for Mary Lane Hospital in the town of Ware; provided further, that the secretary shall provide a \$250,000 one-time grant from the fund to a not-for-profit long term acute care hospital located the Roxbury section of the City of Boston; provided further, that the secretary shall provide a \$3,500,000 one-time grant from the fund for a community health center located in East Boston which operates both a PACE program and a 340B pharmacy program; provided further, that the secretary shall provide a \$600,000 one-time grant from the fund for Hubbard Regional Hospital; provided further, that the secretary shall provide a \$250,000 one-time grant from the fund for a community health center located in the North End section of the city of Boston; provided further, that the secretary shall provide a \$400,000 one-time grant from the fund for a community health center located in the south end of boston which is the largest provider of community based mental-health services, and serves significant homeless and latino populations; provided further, that the secretary shall provide a \$1,000,000 one-time grant from the fund for a sole community hospital located in the City of Gardner providing essential community health services and access to care for low-income population in northern Worcester county; provided further, that the secretary shall provide a \$200,000 one-time grant from the fund to a community health center serving the full range of the underserved population throughout the mid-cape area; provided further, that the secretary shall provide a \$5,500,000 one time grant from the fund for a disproportionate share financially distressed community hospital located in Suffolk county with a locked inpatient adolescent psychiatric unit that participates in the MassHealth program; provided further, that the secretary shall provide a \$400,000 one-time grant from the fund to a federally funded section 330 community health center with at least three community health center sites serving medically underserved areas of Dorchester and South Boston, including at least one public housing project; provided further, that the secretary shall provide a \$750,000 one-time grant from the fund for a teaching hospital located in central Berkshire County; provided further, that the secretary shall provide a \$400,000 one-time grant from the fund for a community health center located in South Boston which is affiliated with the disproportionate share teaching hospital in Suffolk County with the highest volume of free care, which is the primary affiliate of Boston Healthnet, which provides a comprehensive substance abuse program, and which serves a growing Latino and Albanian population; provided further, that the secretary shall provide a \$750,000 one-time grant from the fund for a non-profit Visiting Nurse Association located in Boston, that delivers at least 30 per cent of all MassHealth reimbursed skilled nursing visits and at least 50 per cent of all MassHealth reimbursed home health aide services in Suffolk county; provided further, that the secretary shall provide a \$2,000,000 one-time grant from the fund for a disproportionate share teaching hospital located in Hampden County; and provided further, that the secretary shall provide a \$500,000 one-time grant from the fund for a hospital located in the city of Everett. The secretary of the executive office of health and human services shall file a report

not later than November 1, 2005 to the speaker of the house of representatives, the president of the senate and the house and senate committees on ways and means describing the providers funded or to be funded during fiscal year 2006, the amount expended or to be expended for each provider pursuant to this section, and the extent to which any portion of such expenditures are eligible for federal reimbursement. Any federal reimbursements received by the commonwealth for expenditures made from the fund shall be deposited into said fund.

And move to further amend the bill by striking item section 18 and inserting in place thereof the following section:—

SECTION 18. Notwithstanding any general or special law to the contrary, during fiscal year 2006 the executive office of health and human services shall expend from the medical assistance intergovernmental transfer account within the Uncompensated Care Trust Fund an amount equal to the actual amount paid for fiscal year 2005 for a program of MassHealth supplemental payments to certain publicly operated entities providing Title XIX reimbursable services, directly or through contracts with hospitals under an agreement with the executive office of health and human services, relating to such payments and transfers as established in accordance with Title XIX of the Social Security Act or federal waivers thereof, federal regulations promulgated thereunder, the terms of the waiver under section 1115 of the Social Security Act, state law, and the Medicaid state plan. The funds may be expended only for payment obligations arising during fiscal year 2006. Such expenditures shall reduce payments from the Uncompensated Care Trust Fund to such entities by an amount comparable to the net revenues received by such entities under this section. The executive office of health and human services shall notify the house and senate committees on ways and means if such expenditures are rendered ineligible for federal reimbursement. All expenditures made pursuant to this section shall be reported quarterly to the house and senate committees on ways and means. Amounts so authorized for said expenditure shall be funded in part through intergovernmental transfers to the commonwealth of municipal or other non-federal public funds. The Boston public health commission and the Cambridge public health commission shall transfer to said medical assistance intergovernmental transfer account an amount equal to 55 per cent of the gross amounts of supplemental payments made by the executive office of health and human services under managed care contracts with the commissions. An amount equal to 9.09 per cent of the total amount that the Boston and Cambridge public health commissions transfer to the medical assistance intergovernmental transfer account pursuant to this section shall be transferred from the medical assistance intergovernmental transfer account and credited to the Distressed Provider Expendable Trust Fund, established pursuant to chapter 241 of the acts of 2004.

And move to further amend the bill by striking item section 20 and inserting in place thereof the following section:—

SECTION 20. Notwithstanding any general or special law to the contrary, in hospital fiscal year 2006, the division of health care finance and policy may administer, as provided in this section, the Uncompensated Care Trust Fund established by section 18 of chapter 118G of the General Laws, to collect assessments as specified in section 1 of said chapter 118G for deposit to the fund, and make certain payments to acute hospitals and community health centers from the uncompensated care pool to offset the costs of services provided to uninsured or low income residents. Said division and the executive office of health and human services may promulgate regulations to implement this section.

The division, in consultation with the executive office, shall ensure that assessment liability to the fund and payments from the uncompensated care pool are structured in a manner that would secure for the General Fund the maximum allowable federal reimbursement under Title XIX, XXI, or any successor federal law.

In hospital fiscal year 2006, the total liability of all acute care hospitals to the fund shall be \$160,000,000. The division shall calculate an assessment percentage rate by dividing \$160,000,000 by the projected annual aggregate private sector charges in the fiscal year for all acute care hospitals. Each acute care hospital's liability to the fund shall be equal to the product of the percentage rate and its private sector charges.

In hospital fiscal year 2006, the total surcharge liability of surcharge payers to the Uncompensated Care Trust Fund shall be \$160,000,000. The surcharge amount for each surcharge payer shall be equal to the product of: (a) the surcharge percentage; and (b) amounts paid for services of an acute hospital or ambulatory surgical center by each surcharge payer. The division shall calculate the surcharge percentage by dividing \$160,000,000 by the projected annual aggregate payments subject to surcharge, as defined in said section 1 of said chapter 118G.

All Title XIX federal financial participation revenue generated by hospital payments funded by the Uncompensated Care Trust Fund, whether the payments are made by the division or the executive office, shall be credited to the General Fund.

All hospital payments made pursuant to this section shall be subject to federal approval and conditioned on the receipt of full federal financial participation. All such payments shall be established in accordance with Title XIX of the Social Security Act, or any successor federal law, any regulations promulgated thereunder, and the commonwealth's Title XIX state plan.

The division shall calculate an annual payment liability from the uncompensated care pool to each acute care hospital for fiscal year 2006. In determining the liability amount, the division shall (a):

(1) calculate each hospital's actual free care cost for the 12-month period from October 1, 2003 to September 30, 2004 by using each hospital's actual

submitted free care charges to the division on the UC-04 times its ratio of costs to charges for pool fiscal year 2004;

(2) project each hospital's free care costs above for Pool Fiscal Year 2005 by using a cost growth factor of 7.6 per cent;

(3) project each hospital's total free care costs for pool fiscal year 2006 by multiplying each hospital's pool fiscal year 2005 projected free care costs from subclause (2) by a cost growth factor of 7.6 per cent; and

(4) take into account such factors as the financial burden of hospitals that provide proportionately the largest volume of free care and the situation of any free-standing pediatric hospital with a disproportionately low volume of Title XVIII payments; and

(b) allocate the available funds in a manner that pays to each hospital a fixed percentage of its projected free care costs for hospital fiscal year 2006, as determined by the division using prior year data and considering the total funds available for the purpose; provided, however, that the fixed percentage shall not be less than 85 per cent of free care costs as defined in said section 1 of said chapter 118G for the two disproportionate share hospitals with the highest relative volume of free care costs in hospital fiscal year 2003, and not less than 88 per cent of free care costs, as defined in said section 1 of said chapter 118G, for the 14 acute hospitals with the next highest relative volume of free care costs in that year; provided further, that in order to identify said 16 hospitals, the division shall rank all hospitals based on the percentage of each hospital's free care costs divided by the total free care costs of all hospitals in the commonwealth. All other acute care hospitals shall receive the highest possible percentage of free care costs given available remaining funds. The hospital fiscal year 2006 annual liability amount to each hospital shall be funded by the trust fund; provided, however, that the liability may be satisfied through either a disproportionate share payment or adjustment to Title XIX service rate adjustment payment, or combination thereof, in accordance with the terms provided for in an agreement entered into by an acute care hospital and the executive office. The comptroller, in consultation with the division and the executive office, shall transfer funds from the trust fund to the executive office for the purpose of the Title XIX service rate adjustment payments.

The executive office may use other federally-permissible funding mechanisms available for publicly-operated hospitals and hospitals with an affiliation with a publicly-operated health care entity to reimburse up to \$70,000,000 of uncompensated care costs at the hospitals using sources distinct from the funding made available to the trust fund under this section.

The executive office shall make payments from the uncompensated care pool for services provided by community health centers to low income residents. The executive office shall structure such payments to maximize allowable federal reimbursement under Title XIX. Pursuant to section 117 of chapter 140 of the Acts of 2003, all Title XIX federal financial participation revenue generated by community health center payments funded by the Uncompensated Care Trust Fund, whether the payments are made by the division or the executive office, shall be retained in a separate account within the Uncompensated Care Trust

Fund and expended, without further appropriation, for uncompensated care pool payments to community health centers, in addition to the amount specified in the following paragraph.

In hospital fiscal year 2006, \$466,000,000 from the trust fund shall be credited to the uncompensated care pool for payments to acute hospitals provided for herein. In addition to the federal financial participation to be retained in, and expended from, the trust fund for community health centers pursuant to the preceding paragraph of this section, \$56,000,000 from the trust fund shall be credited to the pool for payments to community health centers provided for in this section; and \$4,000,000 shall be credited for administrative expenses, including demonstration projects pursuant to sections 21 and 22 of chapter 47 of the acts of 1997, as amended by sections 156, 157, and 158 of chapter 184 of the acts of 2002.

In hospital fiscal year 2006, the office of the inspector general is hereby authorized to continue to expend funds appropriated in chapter 240 of the acts of 2004 from the Uncompensated Care Trust Fund for the costs associated with maintaining a pool audit unit within said office. The unit shall continue to oversee and examine the practices in emergency rooms of all Massachusetts' hospitals concerning the care of the uninsured and the resulting free care charges. The inspector general shall submit a report to the house and senate committees on ways and means on the results of the audits and any other completed analyses not later than March 1, 2006. For the purposes of the audits, allowable free care services shall be as provided in chapter 118G of the General Laws and any applicable regulations.

And move to further amend the bill by striking item section 24 and inserting in place thereof the following section:—

SECTION 24. Notwithstanding any general or special law to the contrary, the comptroller shall, in consultation with the office of the state treasurer, the executive office for administration and finance, and the executive office of health and human services, develop a schedule for making a series of transfers not to exceed \$171,900,000 from the General Fund to the Uncompensated Care Trust Fund for the purpose of making revenues available for the administration of the uncompensated care pool, established under subsection (d) of section 18 of chapter 118G of the General Laws, as appearing in the 2002 Official Edition. Said schedule shall make said transfers in increments as deemed appropriate to meet the cash flow needs of the commonwealth and said uncompensated care pool; provided, that said transfers shall not begin before October 1, 2005 and shall be completed on or before June 30, 2006.